

Jan. 17 / Administration of William J. Clinton, 1996

Statement on the Decision of Alan Blinder Not To Seek a Second Term as Vice Chairman of the Board of Governors of the Federal Reserve System

January 17, 1996

It is my deep regret to learn of Alan Blinder's decision not to seek a second term as Vice Chairman of the Board of Governors of the Federal Reserve System. Dr. Blinder's return to Princeton University is a tremendous gain for a respected university but a considerable loss for the Nation.

Alan is a powerful force for sound and sensible monetary policy. His tenure at the Board was marked by integrity, intelligence, and candor. He will be greatly missed there as he was when he left the White House Council of Economic Advisers to become Vice Chairman.

Statement on the Death of Barbara Jordan

January 17, 1996

Hillary and I were deeply saddened to learn of the death of our good friend Barbara Jordan. Her eloquent voice, which articulated the views and concerns of millions of Americans, was always a source of inspiration to us. Barbara's words flowed with heartfelt conviction and her actions rang of indefatigable determination as she challenged us as a nation to confront our weaknesses and live peacefully together as equals.

I am personally appreciative of her efforts to address the difficult problem of illegal immigration as Chair of the Commission on Immigration Reform. Hillary and I join the University of Texas, the Nation, and all those who fight for equal rights and justice in mourning the death of a great woman and a gifted public servant. We extend our deepest sympathies to her family.

Remarks on the Budget Negotiations

January 18, 1996

Good morning. Although I am disappointed that the Republican congressional leaders walked away from our negotiations yesterday, I am not entirely discouraged. After all, it is clear that a 7-year balanced budget, scored by the Congressional Budget Office, one that gives the American people modest tax relief and still protects the fundamental priorities of Medicare, Medicaid, education, and the environment, that this kind of budget is clearly within our grasp right now. Republicans and Democrats have already agreed to far more than \$600 billion in savings. That is more than we need to balance the budget and to provide modest tax relief.

We set out to find a common-ground approach to balancing the budget. We were suc-

cessful in agreeing on more than enough cuts to do the job. As the charts that all of you have show, I have gone the extra mile. The Republicans asked for a plan from us that balanced the budget in 7 years. They then said they disagreed with our economic assumptions, and they asked for a plan based on their economic assumptions. They then made some move themselves toward us, and so I made further moves, as you see in that document. To say that there has not been a good-faith effort here is not credible. We have given a 7-year balanced budget based on the Congressional Budget Office's own estimates, and we have shown here some further movement.

Now let me say again: A lot of good has come out of these talks. It is plain now to the whole country that not only Americans in every community in our country but people here in Washington are committed to a balanced budget in 7 years.

There are areas of disagreement, and they involve more than money. They also involve policy. You already know, as I said, that we have moved toward them in trying to show good faith and reach agreement on the dollars. There are still significant money differences, and they are the same money differences that we started with. I believe that the Republicans are insisting on reductions in Medicare, Medicaid, education, and the environment which are clearly not necessary to balance the budget and not necessary to give a modest tax cut. And I believe that those reductions are in effect being put into this budget to pay for a tax cut that is larger than is warranted under these circumstances.

But let me say there are also some policy differences. And I'll just mention a few. There are more, but let me mention a few. Their Medicare program could require elderly people who choose to go into managed care programs to pay extra fees to see the doctor of their choice, something which is not required today. The medical savings account and fee-for-service options they would provide to all seniors on Medicare could lead to the healthiest and most well off of our senior citizens taking money out of the program which would not be spent in any given year and leaving in the program people with higher medical costs with a lower financial base to cover it. If enough of this happened, it literally could cause the Medicare program to wither on the vine.

They would repeal Medicaid's guarantee of adequate medical coverage for poor people, including poor children, pregnant women, and the disabled. With block grants in Medicaid and lower levels of funding, States would be able to and actually might feel constrained to cut back on services to people who need mental health services, including hospital services. If the history that we all have, the modern history, is any indication, those would be the services that would be most vulnerable in tight budgetary times.

Their budget would dramatically cut programs that are designed to prevent drugs and violence in our public schools. It would deny preschool education through Head Start to about 200,000

young 3- and 4-year-old children from poor backgrounds and we know will be helped by it. It would impose great cuts in aids to poor schools that could cause class sizes to climb and certainly will undermine our efforts to put computers in all the classes of the United States as soon as we can in the next decade.

It ends the Goals 2000 program, which is the administration's program to meet national educational standards which have finally been set but to do it through grassroots reforms. It ends the national service program, which this year is providing 20,000 young people the opportunity to serve their communities and to bring in more volunteers to serve their communities in grassroots effort and earn money to go to college.

It would no longer require companies to pay for the cleanup of toxic wastes if the waste had been lying around 9 years or more. We know that 10 million children now live within 4 miles of a toxic waste site. Under their plan, the taxpayers would have to pick up the tab for these toxic dumps that were in existence before 1987. It would dramatically cut environmental enforcement to guarantee clean air and clean water. It would take the environmental police off the beat with cuts of about 30 percent.

So these are the policy issues involved, and these are just a few of them. When I submitted the plan to balance the budget in 7 years that the Congressional Budget Office agreed did that, I thought that would be the basis for our moving quickly to an agreement based on what we could agree on. I am still committed to that, but let me say—I heard the leaders of the Republican Congress say over and over again, "We have to balance the budget; we have to balance the budget. Why won't the President agree to balance the budget in 7 years? Why won't the President agree to the Congressional Budget Office numbers?" Now it is, "Why won't the President agree to bigger reductions in Medicare and a bigger tax cut?"

Now, if the job is balancing the budget, we know there will be differences between the two parties. These are healthy differences. We ought to have a lot of debates here. But I would remind you, there was only one hearing, only one, on the congressional Medicare plan.

So we can debate some of these policy differences all year long, and the American people can make their decision about what is or is not the right course to follow. But we already

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have agreement on way more than enough budget savings to balance this budget and to give a modest tax cut. It is wrong for us to defer this because of disagreements that are not necessary to resolve in order to have a balanced budget or a modest tax cut.

I am committed to finishing this job. I am committed to working to resolve the remaining problems with the Congress. I did have a constructive 40-minute telephone conversation yes-

terday. And to the Republicans in Congress, let me say again: My door is open. It is open. It will stay open. I have spent 50 hours on this working with them, and I am committed to continuing to work with them until we get the job done.

Thank you.

NOTE: The President spoke at 11:37 a.m. in the Briefing Room at the White House.

Letter to Congressional Leaders on Continuation of the Emergency With Respect to Terrorists Who Threaten To Disrupt the Middle East Peace Process

January 18, 1996

Dear Mr. Speaker: (Dear Mr. President:)

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the emergency declared with respect to grave acts of violence committed by foreign terrorists that disrupt the Middle East peace process is to continue in effect beyond January 23, 1996, to the *Federal Register* for publication.

The crisis with respect to the grave acts of violence committed by foreign terrorists that threaten to disrupt the Middle East peace process that lead to the declaration on January 23, 1995, of a national emergency has not been resolved. Terrorist groups continue to engage

in activities with the purpose or effect of threatening the Middle East peace process, and that are hostile to U.S. interests in the region. Such actions threaten vital interests of the national security, foreign policy, and economy of the United States. For these reasons, I have determined that it is necessary to maintain in force the broad authorities necessary to deny any financial support from the United States for foreign terrorists that threaten to disrupt the Middle East peace process.

Sincerely,

WILLIAM J. CLINTON

NOTE: Identical letters were sent to Newt Gingrich, Speaker of the House of Representatives, and Albert Gore, Jr., President of the Senate. This letter was released by the Office of the Press Secretary on January 19. The notice of January 18 is listed in Appendix D at the end of this volume.

Statement on Signing the Memorandum on Missing Persons and Missing Children

January 19, 1996

Every parent knows that their children are the most important thing in their lives. We cherish them, we invest our hopes in them, and when they fall victim to harm, it can be the

most wrenching experience of all. For every parent, one of the most horrible things imaginable is the disappearance of a child. We must do